



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

To: State and Dickinson County Boundary Commissioners

From: Christine Holmes, Manager
State Boundary Commission

Date: March 19, 2007

Subject: **DOCKET # 06-AP-4 – LEGAL SUFFICIENCY REVIEW**
Petition to Annex Certain Territory in Breitung Township
to the City of Iron Mountain (Dickinson County)

1. This petition to annex approximately 72 acres of territory in Breitung Township to the City of Iron Mountain was filed with the State Boundary Commission on November 13, 2006. The petitioner is identified as Champion, Inc.
 2. A resolution adopted by the Champion, Inc. Board of Directors on October 16, 2006 authorizes Mr. William C. Verrette, Chairman of the Board, to sign the necessary documents for annexation. This resolution is in conformance with Boundary Commission Rule 25 (4), which requires necessary corporate documentation such as a resolution or meeting minutes to show that the petitioner was authorized to file.
 3. Although the territory proposed for annexation to the city is not labeled specifically on the Part 1 Map, it is identifiable, which is in conformance with Boundary Commission Rules 25 (1) and 27. The rules require that a petition identify graphically and by an accurate written description the boundaries of the land proposed to be annexed.
 4. The area proposed for annexation consists of two side-by-side parcels: 31.5 acres in Section 19, and 40.57 acres in Section 20. The south line of both parcels is contiguous with the City of Iron Mountain by approximately 2,295 feet.
 5. An area of land that is part of the Champion property, but not part of the area proposed for annexation, is located in the portion of the City of Iron Mountain that is directly south of the territory proposed for annexation. A drawing on the Part VII map of the petition depicts this.
- A letter from the Office of Land Survey and Remonumentation, which describes their review of the map and legal description, is provided. Mr. Keith Lambert is available to provide further information and comment for the Commission.



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

March 8, 2007

Christine A. Holmes
Manager
State Boundary Commission

RE: **Docket 2006-AP-04 Breitung Township / City of Iron Mountain**

Dear Christine:

We have reviewed the PART I map, the PART III legal description and the PART V legal description in **2006-AP-04** and have the following comments for your consideration.

The PART I map does not label the territory proposed for annexation to the City of Iron Mountain, Michigan.

The PART I map and the PART III legal description are substantially accurate and substantially consistent with each other.

The area described in the PART V description is greater than 75% of the area in the PART III legal description, exclusive of the road right-of-way.

The territory proposed for annexation is contiguous with the **City of Iron Mountain** limits, based on the documentation provided by the Secretary of State as of January 18, 2007.

Sincerely,

Maynard R. Dyer, P.S., Director
Office of Land Survey and Remonumentation

Sincerely,

Keith E. Lambert, P.S., Plat Examiner
Office of Land Survey and Remonumentation

MRD:KEL:ai

RECEIVED
DEPT. OF LABOR & ECONOMIC GROWTH

MAR - 9 2007

OFFICE OF POLICY & LEGISLATIVE AFFAIRS
STATE BOUNDARY COMMISSION

RECEIVED
DEPT. OF LABOR & ECONOMIC GROWTH

MAR 9 2007

OFFICE OF POLICY & LEGISLATIVE AFFAIRS
STATE BOUNDARY COMMISSION

Providing for Michigan's Safety in the Built Environment

BUREAU OF CONSTRUCTION CODES
P.O. BOX 30704 • LANSING, MICHIGAN 48909
Phone (517) 241-6321 • Fax (517) 241-6301
www.michigan.gov



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

To: State and Dickinson County Boundary Commissioners

From: Christine Holmes, Manager
State Boundary Commission

Date: March 15, 2007

Subject: **MARCH 22 SBC MEETING: DOCKETS #06-AP-4 AND #07-AP-1**
- Status of Local Commissioner
- Petitions for Annexation of Territories in Breitung Charter Township
to the City of Iron Mountain

This package contains material in relation to an issue which has come before the Boundary Commission concerning Mr. Dan Wentarmini, the city regular boundary commissioner representing Dickinson County. It has come to our attention that Mr. Wentarmini serves as the Chief Financial Officer and a member of the Board of Directors for Champion, Inc. This company is the petitioner in Docket #06-AP-4.

A motion and brief was recently filed with the Boundary Commission Office by Breitung Township which cited the "probability of bias" and that Mr. Wentarmini must be disqualified from participation in the Champion petition due to his employment.

Upon receipt of the motion for disqualification, I immediately contact Mr. Wentarmini to inquire about his intentions. He voluntarily submitted a letter to the Commission to remove himself from participating in the proceedings on the Champion docket. You should know, however, that Mr. Wentarmini is eligible to serve and participate on Docket #07-AP-1, which is the other annexation petition involving these same two municipalities, but with a different petitioner.

Since Mr. Wentarmini has voluntarily removed himself from participating in the Champion docket, Chairman VerBurg will provide guidance to the Commission on whether this issue needs to be addressed or acknowledged when Docket #06-AP-4 is presented for legal sufficiency at the March 22 commission meeting.

Please feel free to contact me if you have any questions or concerns about this matter.

Encls.

**FOSTER,
SWIFT,
COLLINS &
SMITH, P.C.**
Attorneys at Law



Walter S. Foster
1878-1961
Richard B. Foster
1908-1996
Theodore W. Swift
1928-2000
John L. Collins
1926-2001

Webb A. Smith
Allan J. Claypool
Gary J. McRay
Stephen I. Jurmu
William K. Fahey
Stephen O. Schultz
Scott A. Storey
Charles A. Janssen
Charles E. Barbieri

James B. Jensen, Jr.
Scott L. Mandel
Michael D. Sanders
Sherry A. Stein
Brent A. Titus
Brian A. Kaser
Robert E. McFarland
Stephen J. Lowney
Jean G. Shtokol
Brian G. Goodenough
Matt G. Hrebec
Eric E. Doster
Stephen J. Rhodes
Melissa J. Jackson
Steven H. Lasher
Nancy L. Kahn
Deanna Swisher
Mark J. Burzych

Alan G. Gilchrist
Thomas R. Meagher
Douglas A. Mielock
Scott A. Chernich
Donald E. Martin
Paul J. Millenbach
Dirk H. Beckwith
Brian J. Renaud
Bruce A. Vande Vusse
Lynwood P. VandenBosch
Lawrence Korolewicz
James B. Doezenia
Alan T. Rogalski
Francis G. Seyferth
Anne M. Seurnyck
Richard L. Hillman
Andrea J. Hool
Steven L. Owen

Jennifer Kildea Dewane
John P. Nicolucci
Francis C. Flood
Michael D. Homier
Keith A. Castora
Randall L. Harbour
David M. Lick
Deborah J. Williamson
Rebecca S. Davies
Claire V. Groen
Robert J. McCullen
Glen A. Schmiede
Michael G. Harrison
Frederick B. Bellamy
Gilbert M. Frimer
Mark J. Colon
Robert C. Greene
Scott H. Hogan

Peter R. Tolley
Craig R. Petersen
George L. McCargar, III
Barbara J. Oyer
Kirsten M. McNelly
Emily L. Matthews
Benjamin J. Price
Ronald D. Richards, Jr.
Joseph E. Kozely
Pamela C. Dausman
Terrence G. Quinn
Jacqueline E. Bayley
Dana M. Bennett
Radhika P. Drake
Todd W. Hoppe
Sarah J. Gabis
Larry R. Jensen, Jr.
Alison R. Lievense

Eleanore M. Schroeder
Philip E. Hamilton
John W. Inhulsen
Andrew C. Vredenburg
Amanda Garcia-Williams
Zachary W. Behler
Christopher W. Braverman

Of Counsel
Lawrence B. Lindemer
David VanderHaagen
Allan O. Maki

Writer's Direct Phone: (517) 371-8150
E-Mail: wfahey@fosterswift.com
Desktop Fax: (517) 367-7150

Reply To: Lansing Office

March 1, 2007

Via E-Mail and First Class Mail

LANSING:
313 S. Washington Square
Lansing, MI 48933-2193
PH: 517.371.8100
FX: 517.371.8200

FARMINGTON HILLS:
Suite 230
3230C Northwestern Hwy.
Farmington Hills, MI 48334-1571
PH: 248.539.9900
FX: 248.851.7504

GRAND RAPIDS:
Suite 200
1700 East Beltline, N.E.
Grand Rapids, MI 49525-2076
PH: 616.726.2200
FX: 616.726.2299

Christine A. Holmes
State Boundary Commission
Department of Consumer &
Industry Service
611 W. Ottawa
P.O. Box 30004
Lansing, MI 48909

Dear Ms. Holmes:

RE: In the Matter of the Proposed Annexation of Territory in Breitung Township
To the City of Iron Mountain
Docket No. 06-AP-4

Enclosed for filing with the Boundary Commission is Breitung Charter Township's Motion and Brief in Support of Disqualification of Local Member in reference to the above matter.

Please contact me if you have any questions whatsoever.

Very truly yours,

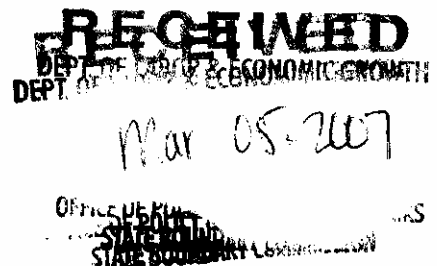
FOSTER, SWIFT, COLLINS & SMITH, P.C.

William K. Fahey
William K. Fahey

WKf:jkc

Enclosure

cc: William B. Beach
Perry Franzoi, Manager



SA151ATWP\BREITUNG\Holmes-1.wp4

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
STATE BOUNDARY COMMISSION

**In the matter of the proposed
annexation of territory in
Breitung Charter Township to the
City of Iron Mountain**

Docket No. 06-AP-4

**BREITUNG CHARTER TOWNSHIP'S MOTION AND BRIEF
IN SUPPORT OF DISQUALIFICATION OF LOCAL MEMBER**

INTRODUCTION

This matter involves the proposed annexation of territory from Breitung Charter Township to the City of Iron Mountain. One of the local members appointed to serve on the Boundary Commission, which will consider the petition for annexation, is Dan Wentarmini, who is also a corporate officer and director of Champion, Inc., the Petitioner in these proceedings.

At a special Board of Directors meeting for the Petitioner, Mr. Wentarmini voted in favor of submitting the petition for annexation in this case. His dual roles as both an Officer and Director of the Petitioner, as well as a local member of the Boundary Commission, violate the legislative mandate that the Commission be an impartial and unbiased decisionmaker. As a result, Mr. Wentarmini should be disqualified from serving on the Commission in this case, and his alternate should serve in his place.

STATEMENT OF FACTS

The petition for annexation was submitted to the State Boundary Commission by Champion, Inc. ("Petitioner") on or about November 13, 2006. The land proposed for annexation includes approximately 72 acres, and Petitioner is the landowner of at least 75% of that land.

Pursuant to MCL 123.1005, the Dickinson County probate judge has appointed two persons and two alternates residing within the County to serve as local members on the State Boundary Commission ("Commission") to consider annexation petitions originating from that county. One of the local members from Dickinson County is Dan Wentarmini, who will serve on the Commission to consider the petition in this case unless his alternate serves in his place.

Mr. Wentarmini serves as a Corporate Officer and as a member of the Board of Directors for the Petitioner, Champion, Inc. See Exhibit A, Board of Directors Meeting Minutes. On October 16, 2006, the Board held a special meeting "to approve the filing of the paperwork necessary to annex the Champion, Inc. property . . . to the City of Iron Mountain." *Id.* Mr. Wentarmini seconded the motion to approve the filing of the annexation petition, which then passed unanimously. *Id.*

The Township understands that Mr. Wentarmini has not voluntarily recused himself from serving on the Commission to decide the fate of the very petition that he voted in favor of filing. Therefore, the Township brings this motion to disqualify Mr. Wentarmini from serving on the Commission in this case, and to allow his alternate to serve in his place.

ARGUMENT

MR. WENTARMINI IS DISQUALIFIED BECAUSE HIS DUAL AND INCONSISTENT ROLES AS LOCAL COMMISSIONER AND CORPORATE OFFICER AND DIRECTOR OF PETITIONER VIOLATE THE LEGISLATIVE MANDATE THAT THE COMMISSION BE IMPARTIAL AND UNBIASED.

A. State Boundary Commission Proceedings Must Be Impartial, Unbiased, and Based Solely on the Facts Presented.

The State Boundary Commission was created by statute, and was given “jurisdiction over petitions or resolutions for annexation.” MCL 123.1011a, citing the Home Rule Cities Act (HRCA), MCL 117.9. Thus, all petitions for annexation must be filed with the Commission. MCL 117.9(2). After determining that a petition is valid, the Commission “shall hold a public hearing at a convenient place in the area proposed to be [annexed].” MCL 123.1008(3); *see also Twp of Coldwater v City of Coldwater*, 101 Mich App 322, 327 (1980) (applying public hearing requirement to annexation proceedings). At the public hearing, the Commission shall consider the reasonableness of the proposed annexation. *Id.* The legislation also sets forth a list of criteria for the Commission to consider when arriving at its determination. MCL 123.1009; *see also Twp of Avon v State Boundary Comm’n*, 96 Mich App 736, 750 (applying criteria to annexation determinations). After holding the public hearing and considering the statutory criteria, the Commission may deny the annexation; approve the annexation; or revise the boundaries of the area proposed for annexation. MCL 123.1010(1). If the annexation is approved, and no referendum is required, the annexation becomes effective on the date set forth in the Commission’s order. MCL 117.9(4).

The above statutory procedures for determining whether to approve a petition for annexation establish that the Commission must act in a neutral, unbiased, and impartial

fashion, based solely on the record at the public hearing and the criteria laid out in the statute. The Michigan Supreme Court has recognized that the Commission's "ultimate decision will be a value judgment based on the particular facts and circumstances of the annexation under consideration." *Midland Twp v State Boundary Comm*, 401 Mich 641, 669 (1977). The Supreme Court has also quoted with approval the following description of the legislative intent behind granting the Commission jurisdiction over annexation proceedings:

"The basic recommendation in the report was to create a State Boundary Commission which would take the question of municipal boundary adjustments out of the arena of emotions (referenda elections) and put the question in the hands of an impartial body which would include both state and local representation and which would make decisions on the basis of facts rather than emotions." *Shelby Charter Twp v State Boundary Comm*, 425 Mich 50, 58-59 (1986) (emphasis added).

Prior to the creation of the Commission, all annexations had to be approved by the electors in the affected districts, a situation which "frequently generated a great deal of divisiveness and litigation." *Id.* at 58. Thus, one of the express purposes in creating the Commission was to resolve the political divisiveness by placing the decision in the hands of a neutral body.¹

The Commission's public hearing requirement has been described as demonstrating a "clear Legislative intent . . . that the commission will gather appropriate information before reaching a determination on the merit of an annexation proposal." *Twp of Coldwater*, 101 Mich App at 329. The Commission can only fulfill its statutory

¹ The official website of the Boundary Commission proclaims: "In an unbiased and quasi-judicial capacity, the Commissioners make decisions based on evidence submitted to the record." http://www.michigan.gov/cis/0,1607,7-154-10573_45340---,00.html (last visited Feb. 21, 2007) (emphasis added). Furthermore, the Commission also describes itself as "a nonpartisan, general neutral, quasi-judicial body." Boundary Commission Office of Policy & Legislative Affairs, *A Brief Overview*, available at http://www.michigan.gov/documents/cis/A_Brief_Overview-SBC_177481_7.doc (last visited Feb. 21, 2007) (emphasis added).

duty to consider the criteria set forth in MCL 123.1009 by "giving due regard to the testimony" at the public hearing. *Id.*

The foregoing statutes and case law establish that the Commission must act in a neutral, impartial, and unbiased fashion in deciding whether to approve a petition for annexation. As we further describe below, Mr. Wentarmini's participation on the Commission in this case presents a substantial risk of intolerable bias that would tarnish this Commission's appearance of impartiality.

B. A Decision Maker Is Disqualified Where There is an Intolerable Probability of Bias

Actual bias is not necessary to disqualify a decisionmaker. Instead, disqualification is appropriate where "experience teaches that the probability of actual bias on the part of the judge or decisionmaker is too high to be constitutionally tolerable." *Crompton v Dep't of State*, 395 Mich 347, 351 (1975), citing *Withrow v Larkin*, 421 US 35 (1975) (emphasis added). The Court stated that the probability of actual bias is too great to be tolerable where the decisionmaker: (1) has a pecuniary interest in the outcome; (2) is "enmeshed" in other matters involving the petitioner; or (3) might have prejudged the case based on his prior participation in various capacities. *Id.*

In *Crompton*, a driver challenged the revocation of his license before the License Appeal Board, which was composed of a police officer and a Secretary of State representative. The Court found that it was "impermissible" for a police officer to sit on the panel that adjudicates a dispute between a citizen and a fellow police officer. *Id.* at 356. The Court explained its rationale as follows:

"As law enforcement officials they are identified and aligned with the state as the adversary of the citizen who is charged with violation of the law. Their function and frame of reference may be expected to make them

'partisan to maintain' their own authority and that of their fellow officers. The risk that they will be unable to step out of their roles as full-time law enforcement officials and into the role of unbiased decisionmaker in a law enforcement dispute between a citizen and a police officer presents a probability of unfairness too high to be constitutionally tolerable." *Id.* at 357-58 (emphasis added, citations omitted).

The requirement of an impartial and unbiased decisionmaker was also violated where the Workers Compensation Appeals Board was composed of two representatives of employee interests, and one representative of employer interests. *Vayiar v Vic Tanny Int'l*, 114 Mich App 388, 390 (1982). The *Vayiar* decision was carried even further where the Workers Compensation Appeals Board was composed of one representative of employee interests, and one representative from the general public, but no representative of employer interests. *Williams v Chrysler Corp*, 159 Mich App 8, 15 (1987). The Court held that "even though the employee representative does not constitute a majority of the WCAB panel," the employer "was nonetheless denied its right to a fair and impartial hearing because it must be presumed that the employee representative was already aligned with plaintiff's position." *Id.* at 19 (emphasis added).

In addition, where there is "an intolerable risk that the decisionmaker may have prejudged the case, due process requires a new decisionmaker." *Spratt v Dep't of Social Services*, 169 Mich App 693, 700 (1988). In that case, the hearing officer that initially decided the case also presided over the rehearing, but refused to disqualify himself on the rehearing. *Id.* Because he may have prejudged the case based on his presiding over the initial hearing, the Court required a different hearing officer to preside over the rehearing.

Impermissible potential bias of a decisionmaker has been described generally as "some kind of personal interest . . . such that a determination one way or the other

would be of economic benefit . . . or otherwise individually affect” the decisionmaker differently than a member of the general public. *Champion’s Auto Ferry, Inc v MPSC*, 231 Mich App 699, 708-09 (1998) (noting that mere familiarity with the facts based on the performance of a statutory duty, without more, does not automatically disqualify a decisionmaker).

Finally, the *Crompton* factors were recently identified as setting forth

“ . . . circumstances in which . . . disqualification is necessary because the [decisionmaker] has some sort of involvement in the case or some sort of interaction with the complaining party that goes beyond his normal professional involvement in the case, and such involvement might tempt the [decisionmaker] to unfairly take advantage of his authority to further his own interests or to harm the complaining party in some manner.” *People v Hall*, unpublished opinion per curiam of the Court of Appeals, decided May 11, 2006 (Docket No 259188) (emphasis added).

The rationale laid out in these cases regarding the disqualification of a decisionmaker applies with equal force to the proceedings before the Commission, which is required to be an impartial and unbiased body.

C. Mr. Wentarmini’s Dual Roles Create Too Great a Probability That He Will Not be Impartial, and He Must Be Disqualified From Serving on the Commission.

In the present case, Mr. Wentarmini’s conflicting dual roles as corporate officer and director and local commissioner implicate all of the concerns identified by the courts with respect to a high probability of bias. Because of this dual roles, the chance that he will simply approve the annexation petition without giving due regard to the evidence, without making a decision based solely on the facts, is too great to be permissible under the Boundary Commission’s legislative mandate.

As the *Crompton* case pointed out, and the *Spratt* case confirmed, a risk that a decisionmaker has prejudged a case is a ground for disqualification. Here, not only is

there a risk, but there is a virtual certainty that Mr. Wentarmini has prejudged this case based on his prior involvement. His statutory duties as a local commissioner require him to make an unbiased decision on whether annexation is appropriate in this particular instance. Mr. Wentarmini has already made that decision, however. By voting at the special Board of Directors meeting in favor of filing the annexation petition, he announced that he believed annexation is appropriate for the Petitioner's land. This is the very definition of prejudgment: "to make a decision about something before hearing all the facts."² Because Mr. Wentarmini has already decided that annexation is appropriate, before hearing the facts presented to the Commission and considering the statutory criteria, he must be disqualified.

Mr. Wentarmini is also strongly aligned with the Petitioner favoring annexation, and is deeply "enmeshed" with other matters of the Petitioner. Like the situations involved in the *Crompton*, *Vayiar*, and *Williams* cases, where one of the decisionmakers was "strongly identified and aligned with one of the parties," Mr. Wentarmini is unequivocally aligned with the Petitioner, Champion, Inc. Not only is he a Corporate Officer and member of the Board of Directors, but he personally participated in the special Board meeting approving the filing of the petition to seek annexation. He seconded the motion, and then voted in favor of filing the petition, which was a decision favoring annexation.

Mr. Wentarmini's participation also raises the concern that he is "enmeshed" with other matters involving the Petitioner, a factor specifically identified by *Crompton* as grounds for disqualification. As the Court pointed out in *Hall*, Mr. Wentarmini's

² *Kernerman English Multilingual Dictionary*, K Dictionaries Ltd, available at <http://dictionary.reference.com/browse/prejudge> (last visited Feb. 22, 2007).

involvement in the case goes well beyond that of an impartial local commissioner, and could lead him to abuse his authority as a local commissioner. As noted by the Court in *Champion's Auto Ferry*, the Boundary Commission's determination in this case will affect Mr. Wentarmini differently than it would a member of the general public, based on the fact that he is a corporate officer and director of Petitioner.

All of these factors lead to the inescapable conclusion that there is too great a risk that Mr. Wentarmini will be unable to step into the "role of unbiased decisionmaker" in deciding whether to approve the annexation, and that he must be disqualified from serving on the Commission.

D. It is Impossible to Reconcile the Conflicting Dual Roles of Corporate Officer and Commissioner

As a final matter, this situation presents the unique situation of irreconcilable duties. As a corporate officer of Petitioner, it is Mr. Wentarmini's fiduciary obligation to act in the company's best interest. Business Corporations Act, MCL 450.1541a(1). A corporation has the power to sue a director or officer for breaching that duty. MCL 450.1541a(4).

As a local Commissioner, it is Mr. Wentarmini's statutory duty to reach an impartial decision based on the facts and the criteria listed in the statute. See MCL 123.1008 & 1009. If the facts presented to the Commission, along with the evaluation of the statutory criteria, lead to the conclusion that annexation should be denied, Mr. Wentarmini's statutory duties as a Commissioner require that he deny the petition. However, if the corporation has determined (as it has) that annexation is in the Petitioner's best interest, denying the annexation petition would result in a violation of his fiduciary obligation to Petitioner.

As has been noted, "it is presumed that members of the board of directors will act in the best interests of their corporation." *Studebaker Corp v Allied Products Corp*, 256 F Supp 173, 189 (WD Mich 1966). Therefore, if Mr. Wentarmini approves the petition, there will be too great a probability that his actions were motivated by the interests of Petitioner, not the facts and criteria of the annexation. This potential conflict cannot be reconciled, and requires that he be disqualified as a Commissioner with respect to this annexation petition.

CONCLUSION

Based on Mr. Wentarmini's extensive involvement and close connection with the Petitioner, along with his vote as a Board member supporting the annexation petition, he should be disqualified from taking part in the Commission's proceedings in this case. Instead, his alternate should serve in his place.

Respectfully Submitted,

FOSTER, SWIFT, COLLINS & SMITH, P.C.
Attorneys for Breitung Charter Township

Dated: March 1, 2007

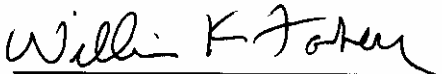
By: 
William K. Fahey (P27745)
Christopher W. Braverman (P70025)
313 S. Washington Square
Lansing, MI 48933
(517) 371-8100

EXHIBIT A

CHAMPION, INC.

P.O. Box 490 • Iron Mountain, Michigan 49801-0490
(906) 779-2300 • Fax No. (906) 779-2326

Minutes of the Special Board of Directors Meeting of Champion, Inc. held in the Company's office at 105 East A Street, Iron Mountain, Michigan on 16 October 2006 at 9:00 a.m.

Directors Present: Wm. C. Verrette, G.R. Benjamin, D.P. Wentarmini, J. Welcher, Wilma Erickson-Verrette, D. LeVeque, G. Blom, C. Rusch (by phone)

Directors Absent: W. Cowell, L. Bonicatto

Others Present: S. Verrette

A special Board of Directors meeting was held to approve the filing of the paperwork necessary to annex the Champion, Inc. property of approximately 68 acres on North US 2 to the City of Iron Mountain and to authorize William C. Verrette, Chairman and CEO of the corporation, to sign the necessary documents needed to file the application. A notice was filed prior to September 5, 2006 at the Iron Mountain City Council meeting.

Gary Benjamin motioned to approve this and Dan Wentarmini seconded this motion. All were in favor.

There being no further business to come before the Board, a motion was made by G. Benjamin and the meeting was duly adjourned.




Wm. C. Verrette, Chairman of the Board



G. R. Benjamin, President

DEPT. OF LABOR & ECONOMIC GROWTH
FILED

NOV 13 2006 06 AP 4



D.P. Wentarmini, Secretary

OFFICE OF POLICY & LEGISLATIVE AFFAIRS
STATE BOUNDARY COMMISSION

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
STATE BOUNDARY COMMISSION

**In the matter of the proposed
Annexation of the territory in
Breitung Charter Township to the
City of Iron Mountain**

Docket No. 07-AP-4

**CHAMPION CORPORATION'S
RESPONSE TO
BREITUNG TOWNSHIP'S OBJECTIONS
TO LEGAL SUFFICIENCY**

Part 1 Map

The Part 1 map consists of a map or drawing "clearly showing the territory proposed to be ... annexed" into the City of Iron Mountain. The property within the dark outline is clearly identified with the label Champion, Inc. The label of the map identifies the map as a "Reference Map: Champion Inc, Lands, Sections 19 & 20, T. 40N. _ R.30 W, Dickinson county, Michigan. Both parcels are thusly identified. The total acreage outlined consists of approximately 72 acres consistent with all other parts of the petition. There is no requirement in Rule 123.25 or 27 that the map be labeled "property proposed to be annexed."

The Part 1 map also clearly identifies graphically and by an accurate written description the boundaries of the land that is proposed to be annexed. The metes and bounds description of the property proposed to be annexed is clearly marked on the map.

There are no geographic features of note which could identified on the map.

There are only two roads in the vicinity of the property proposed to be annexed. Both of those roads, US2 and the county road, are clearly marked.

The section lines are also included showing the corners of sections 19 and 20.

CONCLUSION

Based on the above information and the petition as a whole, this Petition should be considered legally sufficient.

Respectfully Submitted,

MILLER, CANFIELD, PADDOCK AND STONE,
P.L.C.

By: _____
William B. Beach
150 W. Jefferson
Detroit, MI 48226
(313) 496 7617

Date March 21, 2007

WBB/ljs

DELIB:2834854.1\132497-00001
DRAFT 03/21/07 5:25 PM